



County of Sonoma
Permit & Resource Management Department

Sonoma County Planning Commission STAFF REPORT

FILE: ORD18-0007
DATE: 30 August 2018
TIME: 1:35
STAFF: Jane Riley, Project Planner

**Board of Supervisors Hearing will be held at a
later date and will be noticed at that time.**

SUMMARY

Applicant: Permit Sonoma

Owner: Various

Location: 5,138 parcels within the October 2017 Sonoma Complex Fire burn area

APNs: Multiple

Supervisory District No.: District 1 and 4

Subject: Prohibition on New Vacation Rentals within Sonoma Complex Fire burn area

PROPOSAL: Add a new Section to Chapter 40 (Sonoma Complex Fire Disaster Recovery) of the Sonoma County Code to prohibit the establishment or operation of new vacation rentals within the burn area of the October 2017 Sonoma Complex Fire

**Environmental
Determination:** Exempt under CEQA Guidelines Section 15061(b)(3), (General Exemption)

General Plan: Various

Land Use: Various

Ord. Reference: Chapter 40 (Sonoma Complex Fire Disaster Recovery)

Zoning: Various; see Table 1 on page 3

RECOMMENDATION: Recommend that the Planning Commission adopt a resolution recommending approval of the change to Chapter 40



EXECUTIVE SUMMARY:

This proposal would amend Chapter 40 of the Sonoma County Code (Sonoma Complex Fire Disaster Recovery) to prevent the establishment and operation of new vacation rentals within the burn area, which consists of 5,138 parcels. Hosted rentals would continue to be allowed. Property owners that hold valid permits to operate vacation rentals may continue after rebuilding provided that 1) the property is not within an X Combining Zone; and 2) the property has not been sold or transferred.

As part of the Comprehensive Planning Work Plan, the Board of Supervisors may request staff to bring forward consideration of an X Combining District Rezone to prohibit new vacation rentals within the burn zone, or a portion thereof, on a permanent basis. This request would need to be made prior to the expiration of Chapter 40 at the end of 2019.

The term “burn area” refers to land mapped by the California Department of Forestry and Fire Protection (CALFIRE) as the October 2017 Sonoma Complex Fire Perimeter. Refinement of this area may be made during future consideration of an X Rezone.

CEQA Determination: The proposal is exempt from further review under the California Environmental Quality Act (CEQA) under the general rule provided in Section 15061 (b)(3) because it can be seen with certainty that adoption of the proposal will have no physical effect on the environment.

ANALYSIS**Background and Project Description:**

The October 2017 Sonoma County Complex Fires intensified an already challenging housing shortage with an estimated loss of over 5,200 homes. The projected need for additional housing in Sonoma County is several times larger than the amount of new housing that has actually been built in recent years. Over the 5-year period from 2013 through 2017, the County averaged 716 permitted units per year. If this average level of construction is maintained from 2018 through 2020, the County will see nearly 3,754 new units constructed, well below the above figures (*Sonoma County Complex Fires: Housing and Fiscal Impact Report*, Beacon Economics, February 2018).

One area of concern not factored into the above figures is the conversion of homes to vacation rentals. Recent American Community Survey (ACS) data show that at least 4.3% of housing units in Sonoma County are vacation properties. To the extent that Sonoma County becomes increasingly attractive as a place of second homes and rental homes, total housing needs must account for this segment of the housing market (Beacon Economics, February 2018).

24 October 2017. The Board of Supervisors adopted an Urgency Ordinance (Ordinance No. 6209) to enact a 45-day moratorium on the issuance of any new vacation rental or hosted rental permits countywide to facilitate emergency housing for persons displaced by the Sonoma Complex Fire. The moratorium was subject to extension for periods of up to one year. The ordinance was intended to temporarily preserve the County’s existing single-family residences and accessory dwellings for permanent residential and long-term rental uses. The ordinance found that conversion of these dwellings to vacation rentals or hosted rentals would contribute to the existing housing emergency.

5 December 2017. The Board of Supervisors updated the Urgency Ordinance to extend the moratorium on vacation rental permit issuance to 60 days from the date of adoption, exclude permits for hosted rentals, and exclude permits in the Russian River Planning Area.

23 January 2018. The Board of Supervisors voted to not extend the moratorium on new vacation rental permit applications, but directed staff to develop a temporary vacation rental prohibition for the burn area only.

Because anecdotal experience indicated that some vacant lots within the burn area were being purchased by investors for the purpose of developing vacation rental properties rather than homes for long-term residents, the Board requested that Permit Sonoma staff work on a solution to address both the short-term issue of land speculation and the longer term issue of the loss of residential properties to visitor-serving uses.

To this end, staff proposes a two-step process including: 1) an amendment to Chapter 40 of the Sonoma County Code (Sonoma Complex Fire Disaster Recovery) to prevent the establishment and operation of new vacation rentals within the burn area; and 2) as part of the Comprehensive Planning Work Plan, the Board may direct staff to consider adding the burn area parcels, or an identified subset thereof, to the X Vacation Rental Exclusion Combining Zone to permanently prohibit the establishment of new vacation rentals. This request, if made, would return to the Planning Commission for consideration and public hearing.

ANALYSIS AND DISCUSSION OF ISSUES

Table 1 below shows the number of parcels within the burn area by zoning district.

Table 1. October 2017 Sonoma Complex Fire: Parcels within Burn Area, by Zone

Zoning District	Number of Parcels	Number of Parcels with X Combining Zone Designation*	Number of Parcels with Vacation Rental Permits
Diverse Agriculture (DA)	506		29
Land Extensive Ag (LEA)	65		---
Land Intensive Ag (LIA)*	279		4**
Ag Residential (AR)	228		9
Rural Residential (RR)	2149	15*	69
Low Density Residential (R1)	889	15*	48
Medium Density Residential (R2)*	71		---
High Density Residential (R3)*	6		---
Planned Community (PC)*	7		---
Resource and Rural Development (RRD)	746		42
Limited Commercial (LC)	43		---
Recreation & Visitor-Serving (K)	7		---
Neighborhood Commercial (C1)*	5		---
Commercial Office (CO)*	3		---
Public Facilities (PF)*	78		---
Roads*	3		---
TOTALS	5,138	30*	201

* Vacation rentals not permitted in X Combining zone. Existing permits expire upon sale or transfer of the property

** Vacation rentals no longer allowed in the LIA. These permits are allowed to continue until sale or transfer of the property

Issue #1: General Plan Consistency

The proposal affects only the transient use of existing or rebuilt residential properties, and does not authorize new development or construction. As such, it is consistent with the Land Use policies of the General Plan. In the Housing Element of the General Plan, a specific policy and program that relate to this proposal include:

Policy HE-1k: Continue to regulate the use of existing residences on residential lands for vacation rentals.

Housing Element Program 6: Review Vacation Rental Ordinance Program Description: The County will review and consider revisions to the Vacation Rental Ordinance to limit conversion of permanent housing stock and make vacation rental uses more compatible, and to facilitate enforcement when necessary.

Approval of the proposal to amend Chapter 40 would ensure that rebuilding within the burn area is consistent with the General Plan while long-term options to consider adding the Vacation Rental Exclusion (X) Combining Zone can be considered.

Issue #2: Existing Vacation Rental Permits in Burn Area

After the effective date of the proposed ordinance amending Chapter 40, no new vacation rental may be established or operated on a parcel within the burn area. However, existing vacation rentals which were fully permitted and current on Transient Occupancy Taxes (TOT) as of October 8, 2017 would be allowed to continue until sale or transfer of the property, at which time the vacation rental permit is automatically expired. This allowance includes those legal vacation rentals within the burn area that filed an exemption from transient taxes in the months after the fire in order to make homes available for families displaced by the fires.

As with existing practice, a vacation rental permit within the burn area could also be revoked for repeated violations of the vacation rental performance standards, as set forth in the Vacation Rental Ordinance (26-88-120), in which case it would not be able to resume as a vacation rental.

Issue #3: Hosted Rentals

Hosted rentals (rental of one guest room or guest house, with the owner remaining on site) would not be affected by the code change and would continue to be allowed within the burn area.

Issue #4: Term of Restrictions

As proposed, the change to Chapter 40 prohibiting the establishment and operation of any new vacation rentals in the burn area would expire on December 31, 2019, unless extended by the Board of Supervisors. Prior to the expiration of these restrictions, the Board may direct staff to bring forth a rezoning application to consider application of the X (Vacation Rental Exclusion) Combining Zone to some or all of the parcels within the burn area. Comprehensive Planning would add such a request to the work plan. Full review and noticed hearings by the Planning Commission and Board of Supervisors would be required.

STAFF RECOMMENDATION

Staff recommends the Planning Commission hold a public hearing, determine that the project is exempt from CEQA, and adopt the attached resolution recommending that the Board adopt an amendment to Chapter 40 of the Sonoma County Code prohibiting the establishment and operation of vacation rentals within the burn zone, except under the specified conditions discussed herein.

LIST OF ATTACHMENTS

EXHIBIT A: Draft Planning Commission Resolution

EXHIBIT B: Draft Ordinance amending Chapter 40
